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Manufactured Housing Division

Minutes of the Public Workshop Held January 10th, 2014

The Manufactured Housing Division of the Department of Business and Industry of the State of Nevada held a public workshop at 10:00 am, on the 10th day of January 2014, at 1818 East College Parkway, Suite 103 Carson City, Nevada and via videoconference from the Bradley Building, 2nd Floor Conference Room 2501 E. Sahara, Las Vegas, Nevada.

MHD Staff attending in Carson City:

Jim deProsse, Administrator Karen Fox, Licensing Officer Diane O'Connor, Program Officer Jim Lynn, Compliance Investigator Sandra Doughty, Administrative Assistant Adrienne Sawyer, Education Officer Colleen Platt, Deputy Attorney General

MHD Staff attending in Las Vegas: Pam Detiz, Accounting Assistant Dee Augdahl, Compliance Investigator

Public in Attendance in Las Vegas

David Lee, Mobile Mini Jeanne Parrett, Eldorado Estates Aldo Gurrola, C.G. Enterprises Gary Childers Patsy Romanous, Pac Van Dan Hintz, Master Set Michail Bouse, City of Las Vegas Russel Nixion, RT & E MHS Susan Olmstead, Sierra Mobile Home Park Michael Furmann, Williams Scotsman

Mark Garland, Xtreme Don Ahern, Xtreme Brandon Main, Xtreme Brenda Thompson, Clark County Building Dept. Sam Palmer, Clark County Building Dept. Del Keith, ABC Kelly Brinkerhoff, Kbrinkerhoff ENT Miguel Gonzalez, Sierra Mobile Home Park Aubrey Liggett. Co-Op MHS Inc.

Public in Attendance in Carson City

David Kauffman, Sun Communities Joshua C Stewart, JCC Mobile Home Repair Fred Cutler, Sani Hut Bert A Reed Jr., Time and Materials Dave Shumway, Shumways MHS Buster Scholl, CAA Neva Doiel, Doiel Painting Genene Proffitt, CAA Joshua Sykes, Manufactured Mobile Mike Jensen, Jensen Homes Todd V. Anderson, White Knight Leo Poggione, Craftsman Homes David A. Fox. Fox Co.

Gene Temen, Quickspace Louis Test, Sani Hut Jack Franklin, J E Franklin Co. Bob Hockenhull, Sierra Shadows Jamie Duenas, J Duenas MH Set up Dave Karr, Anywhere Repair Tom Cash, Tom's MHS Ray Proffitt, CAA Chelsea Capurro, GCG Dennis Nolan, ST. PWD Phil Lancaster, Lancaster Construction Mary Fischer, Cottonwood MHP



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The Administrator, Jim deProsse, called the hearing to order at 10:00am on Friday January 10th 2014. He introduced the MHD staff in Carson City.

The Administrator opened the meeting for public comments in Las Vegas.

Gary Childers asked if this was the time to comment on each section of if there would be time later.

Mr. deProsse said the first comment section is for general questions but would take questions on individual sections as he goes through them.

Mark Garland asked if there were plans for a new fee structure for expedited plan reviews.

Jim deProsse said the Division is open to expedited services and will take it under consideration.

There were no public comments in Carson City.

The first regulation to be discussed was LCB R113-13. Mr. deProsse explained that he would walk through every section and be open to comments and questions.

Section 1. NAC 489.205 - Adopt 2012 Codes

Section 2. NAC 461A.350 - Adopt 2012 Codes

Section 3. NAC 489.177 - Adopt 2012 Codes

Section 4. NAC 489.205 - The Division may conduct routine office surveys, audits

Section 5. NAC 489.303 – Licensee can request an extended time to submit CE requirement

Section 6. NAC 489.310 – Financial requirements for new applicants

Section 7. NAC 489.347 – Financial requirements for renewals

Section 8. NAC 489.360 – Fees for a distributor

Section 9. NAC 489.370 – Add fee for a distributor

Section 10. REPEALED: NAC 461.125 – Labeling of plumbing fixtures

NAC 489.3105 – Maintenance of cash required at the time of

initial license

NAC 489.590 – Purchase contract and listing agreement

Gene Temen would like see those business that deal with commercial coaches be exempt from some criteria because they do not have the public contact.

Mr. deProsse thanked him for the comments and noted that there will be a workshop be discussing dealer licensure in the near future.

There were no public comments in Las Vegas or Carson City.

Mr. deProsse closed the discussion for LCB R113-13 and opened it for LCB R112-13.

R112-13 pertains to NRS 118B and NRS 489. The Administrator went over each section of the proposed regulation.

Section 1. NAC 118B.120 - Dismantling of manufacture home

Gary Childers would like to see language added as to who determines if a home can be rehabilitated. Diane O'Connor stated that this regulation applies only to NRS 118B.120 and would not affect other statutes. The change is to clarify which homes in mobile home parks can be dismantled or rehabilitated. Jim deProsse stated that the Division is the one who determines whether the home can be rehabilitated. Gary Childers stated that he thought there should be some reference to the statute that states who determines if a home can be rehabilitated.

Colleen Platt said the purpose of this regulation was to clarify in 118B.120, when a manufactured home is considered dismantled. The Division will consider a manufactured home to be dismantled if the Division determines the home is out of compliance for various reasons.



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Section 2. NAC 118B.140 – Lifts some of the requirements for an instructor of CE for 118B only

Section 3. NAC 118B.200 - Renewal of a CE instructor or course for 118B only

Leo Pioggione was glad to see the annually taken out, but would like to see something to the effect of not more frequently than annually.

Diane O'Connor this is for continuing education for park managers only.

Leo Pioggione thought the spirit of the regulation was to not have the instructor be approved annually but as needed, but now you are saying it could be more than annually.

Diane O'Connor explained that if an approved instructor wants to teach a different class, they would need to be approved for that specific class.

Section 4. Amending section 5 & 6

Section 5. The Division can request an annual accounting report from a Dealer

Section 6. Defining "principal place of business" cannot be a PO Box.

Joshua Sykes would like clarification that he cannot use a PO Box as a mailing address.

Karen Fox explained that you could have a PO Box for a mailing address but not for the principle place of business.

Section 7. NAC 489.203 - Determining factory-built housing as real property

Section 8. NAC 489.305 - Clarifying a branch office to be in this State

Section 9. NAC 489.311 - Specialty Serviceperson who does not have a NSCB license

Mr. deProsse explained that specialty service people have to have a contractor's board license in their field. Since the contractor's board prohibits them from working on personal property, the division has the same licenses available. This regulation is to clarify that in the event there is a need for a license the contractors board does not offer, the Division would have the ability to offer it.

Leo Pioggione asked for more clarification.

Karen Fox explained that in the event that there is not a category offered by the contractor's board, the Division wanted the ability to offer that license.

Leo Pioggione expressed concern that is the contractors board did not offer the license, why should the Division. He thought that a general service person license should cover that. In making a new license it creates a loop hole.

Karen Fox explained that a general service person can do anything but AC whereas a specialty service person can only do the scope of work dictated by their license.

Gary Childers there has been an issue with a handyman's license which the contractor's board does not offer. This gives the Division the ability to offer additional licenses.

Leo Pioggione would like to go on the record as objecting to this regulation.

Jim deProsse explained that the existing regulation states there must be a corresponding contractor's license and if there was to be a new license such as a handyman's, this would give the Division the ability to offer the new license.

Leo Pioggione expressed concern that it cuts into the general service person license.

Colleen Platt added that there are only certain categories of licensure the Division can offer under the current regulation.

Leo Pioggione said why the Division needs a new one if the categories are already defined,

Jeanne Parrett was under the impression that a handyman license would allow minor repairs to be done. She would like to see a dollar amount set that a handyman would have to stay under.

Jim deProsse explained that if a job is under a certain dollar amount, the contractor board does not



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require a license. This creates the handyman but there is no such exemption in 489. We will be having a workshop about minor repairs which would be an appropriate time to discuss Miss. Parrett's concerns.

He also expressed that the sentiment he is receiving from industry is a dislike of this regulation.

Bert Reed Jr. expressed concern about those who install solar panels on manufactured homes not having a Nevada license to do so.

Jim deProsse encouraged licensees to report any unlicensed activities.

Joshua Sykes noted that the handyman is not allowed to give a bid but charge by the hour and he would like to see this clarified with the Division.

Karen Fox said that the contractors board will fined those with a contractors board license for working on manufactured homes.

David Fox questioned the need for a handyman's license.

Jim deProsse asked if there was need in industry for section 9.

Gary Childers the section is beneficial for consumer protection, without the person working on the home being licensed; the Division would have no enforcement authority.

Jeanne Parrett said it allows for a handyman's license with a specific size and scope of work.

David Karr would like to know what the limitations are.

Jim deProsse explained it was not defined in the current regulation.

Leo Pioggione said that the regulation was not pertaining because the contractor's board does not have a handyman's license

Jim deProsse explained that the handyman was an example but the purpose of the regulation was to allow the Division to have a category of specialty service person license that the contractors board does not have.

Colleen Platt explained that if the specialty is not listed as category of contractor board license, the Division is limited to the categories defined in the NRS.

Leo asked if it is necessary if the categories are already defined.

Jim deProsse said the Division will take all the comments under consideration.

Section 10. NAC 489.320 - Adding "distributor" to licensing requirements

Section 11. NAC 489.325 - Adding "distributor" to licensing requirements

Section 12. NAC 489.331 - Adding "distributor" to licensing requirements

Section 13. NAC 489.486 - Installing a manufactured home on a perimeter foundation or support system & plan approval by the Division

Leo Pioggione asked if that meant piers.

Colleen Platt explained that support system is defined in the NRS.

Mike Jensen asked for clarification if free standing garages needed plan approval by the state.

Jim deProsse clarified that if it is directly accessible from the home, the Division would need to approve the plans. If it is free standing, the only concern would be egress from the house if it is close to the house.

Gary Childers the plan review for garages is done to insure that the plans do not take the home out of compliance.

Mike Jensen asked if all support systems need to be pre-approved.

Mr. deProsse pointed out that the installation standards already calls out the support system.

Leo Pioggione interprets the regulation to say that the approval of the Division is the installation permit.

Mr. deProsse the Division does not ask for plan approval on a standard set which is covered in the



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installation standards.

Leo Pioggione said that the permit was approval unless it was an engineered system and that would need prior approval.

Mike Jensen said he did not see the distinction in the language between a foundation and other support systems which would need prior approval.

Gary Childers pointed out the engineered design on the support system needs to be taken into account as the exception to the standard.

Colleen Platt said that the regulation requires prior approval to set a home on a foundation or support system. If approval is required, which it is, the plans must be approved before they are submitted to the governing body. This language is trying to avert the need to dig up a foundation that has passed local codes but not manufactured housing codes.

Mike Jensen is afraid this opens the door to needing plan approval for support systems.

Colleen Platt explained that if a home is being installed on a perimeter foundation or support systems as defined, Division's approval is necessary.

Jim deProsse explained that if a home is being installed to the installation standard specifications, it is already approved by the Division.

Colleen Platt pointed out that the language does not convey that. The language as written implies that every time you install a home on a foundation or support systems, the plans must be approved by the Division.

Jim deProsse said that was not the intent of the regulation. For installers who follow the installation standards that is already defined and approved.

Mike Jensen pointed out that the need for multiple approvals make the window of time to get everything done very small.

Gary Childers it might help to clarify that a person has to submit plans to the Division before the local jurisdiction because it is not covered in the installation standard is to avoid more expense down the road. Jim deProsse and Colleen Platt discussed the best way to get the Division's intent across.

Patsy Romanous would like more definition as to what the state inspects verses the local jurisdictions. Leo Pioggione would like to know if there is any way a pre-approved foundation plan like there is with the installation standards.

Jim deProsse said the Division is open to the idea to make the process more business friendly.

Section 14. REPEALED: NAC 489.307 – Operation of main office. (NRS 489.231)

Jim deProsse closed the workshop and opened the last public comment period.

Todd Anderson asked about R113-13 if the financial reserve requirements were for new dealers and for license renewal.

Karen Fox stated it is just for the new applications.

Todd Anderson thinks that the reserves are necessary for a new dealer who wants to come into the industry. The standard should to be there for the first two years to hold up the integrity of the industry. Leo Pioggione agreed with Todd Anderson that the cap should be there for new dealers. He also thought that the recovery fund would take some hits if the cap was not there for new dealers.

Jim deProsse explained Division will need to look into it.

Las Vegas

Jeanne Parrett said that if the financial reserves are reinstated she would like to see line of credit instead of letter of credit.



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Joshua Sykes said he would like to see the financial restrictions taken out to new businesses to enter the industry.

Leo Pioggione commented that the contractor board has parameters of solvency and he thinks that should be taken into consideration.

Joshua Sykes added that they have to carry a bond.

Leo Pioggione suggested adding a bond would accomplish the same thing.

Jeanne Parrett added that there are no new home stand alone dealers in Clark County possibly because of that requirement.

There were no more public comments. Jim deProsse thanked everyone for coming and closed the workshop.